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HOPE LIFE INTERNATIONAL HOLDINGS LIMITED

曠逸國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1683)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent



On 2 November 2020 (after trading hours), the Placing Agent and the Company entered into the Placing Agreement pursuant to which the Company has conditionally agreed to place through the Placing Agent, on a best endeavour basis, up to 100,000,000 Placing Shares at the Placing Price of HK\$0.95 per Placing Share to the Placees who and whose beneficial owners shall be Independent Third Parties. The Placing Shares will be allotted and issued pursuant to the General Mandate granted to the Directors at the AGM held on 28 May 2020.

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the completion of the Placing, the maximum number of Placing Shares under the Placing represent (i) 20.00% of the existing issued share capital of the Company of 500,000,000 Shares as at the date of this announcement; and (ii) approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares. The aggregate nominal value of the maximum number of Placing Shares under the Placing will be HK\$1,000,000.

The Placing Price of HK\$0.95 represents a discount of approximately 16.08% to the benchmarked price of the Shares, which is the higher of (i) the closing price of HK\$1.12 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and (ii) the average closing price of HK\$1.132 per Share in the last five trading days prior to the date of the Placing Agreement.

Subject to completion of the Placing, it is expected that the maximum gross proceeds and net proceeds from the Placing will be approximately HK\$95 million and HK\$93.8 million respectively. On such basis, the net issue price will be approximately HK\$0.94 per Placing Share.

Since completion of the Placing is subject to the fulfillment of the condition as set out in the Placing Agreement, the Placing may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

PLACING OF NEW SHARES UNDER GENERAL MANDATE

The Board announces that on 2 November 2020 (after trading hours), the Placing Agent and the Company entered into the conditional Placing Agreement pursuant to which the Company has conditionally agreed to place through the Placing Agent, on a best endeavour basis, up to 100,000,000 Placing Shares at the Placing Price of HK\$0.95 per Placing Share to the Placees who and whose beneficial owners shall be Independent Third Parties. The principal terms of the Placing Agreement are set out below.

THE PLACING AGREEMENT

Date

2 November 2020 (after trading hours)

Company

The Company

Placing Agent

CNI Securities Group Limited

Pursuant to the terms of the Placing Agreement, the Company has conditionally agreed to place through the Placing Agent, on a best endeavour basis, up to 100,000,000 Placing Shares to independent Placees. The terms of the Placing Agreement were arrived at after arm's length negotiations between the Company and the Placing Agent under normal commercial terms and with reference to the prevailing market conditions. The Directors are of the view that the terms of the Placing Agreement are fair and reasonable based on current market conditions.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Placing Agent and its associates are Independent Third Parties. As at the date of this announcement, the Placing Agent and its associates were not interested in any other Shares.

The Placing Agent will charge the Company a placing commission equivalent to 1.1% of the Placing Price in respect of such number of Placing Shares successfully placed by the Placing Agent plus any other out-of-pocket charges and expenses by the Placing Agent in relation to the Placing.

Placees

The Placing Agent will, on a best effort basis, place the Placing Shares to the Placees, who and whose ultimate beneficial owner(s) (if applicable) shall be Independent Third Parties. It is expected that there will be not less than six Placees.

Number of Placing Shares

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the completion of the Placing, the maximum number of Placing Shares under the Placing represent (i) approximately 20.00% of the existing issued share capital of the Company of 500,000,000 Shares as at the date of this announcement; and (ii) approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares. The aggregate nominal value of the maximum number of Placing Shares under the Placing will be HK\$1,000,000.

Ranking of Placing Shares

The Placing Shares under the Placing will rank, upon allotment and issue, *pari passu* in all respects with the Shares in issue on the date of allotment and issue of the Placing Shares.

Placing Price

The Placing Price of HK\$0.95 per Placing Share represents a discount of approximately 16.08% to the benchmarked price of the Shares, which is the higher of (i) the closing price of HK\$1.12 as quoted on the Stock Exchange on the date of the Placing Agreement; and (ii) the average closing price of HK\$1.132 in the last five trading days prior to the date of the Placing Agreement.

The Placing Price of the Placing was determined with reference to the prevailing market prices of the Shares and was negotiated on an arm's length basis between the Company and the Placing Agent. The Directors consider that the terms of the Placing are on normal commercial terms and are fair and reasonable based on the current market conditions. Hence, the Placing is in the interests of the Company and the Shareholders as a whole.

Subject to completion of the Placing, it is expected that the maximum gross proceeds and net proceeds (after deducting placing commission and other relevant costs and expenses) from the Placing will be approximately HK\$95 million and HK\$93.8 million respectively. On such basis, the net issue price will be approximately HK\$0.94 per Placing Share.

General Mandate to allot and issue of the Placing Shares

The Placing Shares will be issued under the General Mandate to allot, issue and deal with Shares granted to the Directors by resolution of the Shareholders passed at the AGM subject to the limit up to 20% of the then issued share capital of the Company as at the date of the AGM. Accordingly, the issue of the Placing Shares is not subject to the approval of the Shareholders.

Under the General Mandate, the Company is authorized to issue up to 100,000,000 Shares under the General Mandate. Up to the date of this announcement, no Shares have been issued under the General Mandate. The maximum of 100,000,000 Placing Shares to be allotted and issued will utilize the entire General Mandate.

Application for listing of Placing Shares

Application will be made by the Company to the Stock Exchange for the grant of the listing of, and permission to deal in, the Placing Shares.

Condition of the Placing Agreement

Completion of the Placing is conditional upon the Stock Exchange granting the listing of, and permission to deal in, the Placing Shares to be placed pursuant to the Placing Agreement on or before 23 November 2020 (or such later date as the parties thereto may agree in writing) (“**Long Stop Date**”).

If the above condition is not satisfied on or before the Long Stop Date, the obligations of the Placing Agent and of the Company under the Placing Agreement shall cease and determine and neither the Placing Agent nor the Company shall have any claim against the other in relation to the Placing Agreement.

Completion of the Placing

Completion of the Placing shall take place within seven Business Day (the “**Completion Date**”) after the fulfillment of the above condition or on such other date as the Company and the Placing Agent may agree in writing.

Force majeure

The Placing Agent may, in its reasonable opinion, after consultation with the Company, terminate the Placing Agreement by notice in writing to the Company at any time up to 8:00 a.m. on the Completion Date if:

- (1) there is any change in national, international, financial, exchange control, political, economic conditions in Hong Kong which in the reasonable opinion of the Placing Agent would be materially adverse in the consummation of the Placing; or
- (2) there is any breach of the warranties, representations and undertakings given by the Company in this Agreement and such breach is considered by the Placing Agent on reasonable grounds to be material in the context of the Placing; or
- (3) there is any material change (whether or not forming part of a series of changes) in market conditions which in the reasonable opinion of the Placing Agent would materially and prejudicially affect the Placing or makes it inadvisable or inexpedient for the Placing to proceed; or

- (4) any statement contained in the previous announcements of the Company has become or been discovered to be untrue, incorrect or misleading in any material respect which in the opinion of the Placing Agent would be materially adverse in the consummation of the Placing.

Upon termination of the Placing Agreement as described above, all liabilities of the parties hereto thereunder shall cease and determine and no party hereto shall have any claim against the other party in respect of any matter or thing arising out of or in connection with the Placing Agreement save in respect of any antecedent breach of any obligation under the Placing Agreement.

The Directors are not aware of the occurrence of any of such events as at the date of this announcement.

Since completion of the Placing is subject to the fulfillment of the condition as set out in the Placing Agreement, the Placing may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

REASONS FOR THE PLACING AND USE OF PROCEEDS

The principal activity of the Company is investment holding. The Group is principally engaged in construction and ancillary services which include design, fitting-out, decoration, alteration and addition, construction and other related businesses, health business and financial services.

It is expected that the maximum gross proceeds and net proceeds from the Placing will be approximately HK\$95 million and HK\$93.8 million respectively.

The net proceeds from the Placing are intended to be used for as to approximately HK\$40 million for the capital injection in the joint venture company by the Group under the discloseable transaction as announced on 15 October 2020 and as to the remaining balance towards the general working capital of the Group and business development of the Group.

The Directors are of the view that the Placing can strengthen the financial position of the Company and provide funding to the Company to meet any future investment opportunities. The Placing also represents good opportunities to broaden the Shareholders' base and the capital base of the Company.

The Directors (including the independent non-executive Directors) consider that the terms and conditions of the Placing Agreement are fair and reasonable and are on normal commercial terms and the Placing is in the interest of the Company and the Shareholders as a whole.

EFFECTS OF PLACING ON SHAREHOLDINGS STRUCTURE OF THE COMPANY

The shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately upon completion of the Placing (assuming the maximum number of Placing Shares are placed and there is no change in the share capital of the Company from the date of this announcement up to the completion of the Placing) are set out as follows:

	As at the date of this announcement		Immediately upon completion of the Placing	
	Number of Shares held	% of total Shares in issue	Approximate	% of total Shares in issue
			Number of Shares held	
Substantial Shareholders				
Starcross Group Limited (<i>Note 1</i>)	151,111,111	30.22%	151,111,111	25.19%
Ample Platinum Enterprises Limited (<i>Note 2</i>)	149,900,000	29.98%	149,900,000	24.98%
Voice Chosen Investment Limited (<i>Note 3</i>)	63,988,889	12.80%	63,988,889	10.66%
Public Shareholders				
The Placees	–	–	100,000,000	16.67%
Other public Shareholders	135,000,000	27.00%	135,000,000	22.50%
Total	500,000,000	100%	600,000,000	100%

Notes:

- As at the date of this announcement, the issued share capital of Starcross Group Limited is owned as to 75% by Mr. LEONG Hing Loong Rudoff and 25% by Ms. CHEW Christina Mooi Chong, the spouse of Mr. LEONG. The 151,111,111 Shares held by Starcross Group Limited is pledged to Chance Achieve Limited.
- As at the date of this announcement, Ample Platinum Enterprises Limited is wholly-owned by Soaring Holdings Limited and Soaring Holdings Limited is wholly-owned by Mr. HUI Kee Fung. Mr. HUI is an executive Director and the Chairman of the Board.
- As at the date of this announcement, Voice Chosen Investment Limited is wholly-owned by Ms. He Yun.

EQUITY FUND RAISING ACTIVITIES OF THE COMPANY DURING THE PAST 12 MONTHS

The Company had not conducted any equity fund raising activity in the past 12 months immediately preceding the date of this announcement.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“AGM”	the annual general meeting of the Company convened on 28 May 2020
“associates”	has the meaning ascribed to this term under the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	any day (not being a Saturday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“Company”	Hope Life International Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on Main Board of the Stock Exchange
“connected person”	has the meaning ascribed to this term under the Listing Rules
“Director(s)”	Director(s) of the Company
“General Mandate”	the general mandate granted to the Directors at the AGM to allot, issue or deal with up to 20% of the then issued share capital of the Company as at the date of the AGM
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and its connected persons and is not acting in concert (as defined in the Codes on Takeovers and Mergers and Share Buy-backs) with any of the connected persons of the Company or any of their respective associates (as defined under the Listing Rules)
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Placee(s)”	any individuals, corporate, institutional investors or other investors to be procured by or on behalf of the Placing Agent under the Placing

“Placing”	the offer by way of private placing of the Placing Shares by or on behalf of the Placing Agent to the Placee(s) on the terms and subject to the conditions set out in the Placing Agreement
“Placing Agent”	CNI Securities Group Limited, the placing agent and a licensed corporation to carry out Type 1 (dealing in securities), Type 2 (dealing in future contracts) and Type 4 (advising on securities) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) in Hong Kong
“Placing Agreement”	the conditional placing agreement entered into between the Company and the Placing Agent dated 2 November 2020 in relation to the Placing under the General Mandate
“Placing Price”	HK\$0.95 per Placing Share
“Placing Shares”	an aggregate of up to 100,000,000 new Shares to be placed pursuant to the Placing Agreement and each a “Placing Share”
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By order of the Board of
Hope Life International Holdings Limited
HUI Kee Fung
Chairman

Hong Kong, 2 November 2020

As at the date of this announcement, the Board of Directors of the Company comprises Mr. HUI Kee Fung, Ms. SHEN Jie and Mr. LIANG Zhichao as Executive Directors; and Mr. LU Zhuohui, Ms. XIE Yanbin and Ms. FU Ling as Independent Non-executive Directors.